ASX RELEASE

11 AUGUST 2014

Fast Facts	ASX: JAL
Share Price Range (6mths)	$0.15 - $0.23
Shares on issue	189,665,619
Options ($0.15 -$0.20)	10,976,390
Market Capitalisation	~$30M

Major Shareholders (as at August 8, 2014)

Macquarie Metals & Energy	10.5%
Robert J Devereux	5.4%
Timothy Lyons	5.1%
David Argyle	5.1%

Directors & Management

David Fawcett (Chairman)
Art Palm (Executive Director & CEO)
Jeff Bennett (Non Executive Director)
Steve van Barneveld (Non Exec Director)

Key Projects

Crown Mountain Coking Coal Project
Elk Valley Coalfield, Canada
Dunlevy Metallurgical Coal Project
Peace River Coal Field, Canada

Investment Highlights

- ✓ Positioned in world class metallurgical coalfields
- ✓ Significant development expertise on board with successful track record
- ✓ Modern rail and port facilities
- ✓ Strong financial position

Newsflow / Catalysts

Dunlevy exploration starts	Q3 2014
Crown PFS completion	Q3 2014
Crown EA Project Description	Q3 2014
Dunlevy initial expl results	Q3 2014

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Prefeasibility study confirms Crown Mountain coking coal project will enjoy outstanding economics

IRR of up to 61% and Payback Period of 2.7 years

Highlights

- **After-tax Payback Period of 2.7 years is exceptional and serves to mitigate project investment risk.**
- **Internal Rate of Return (IRR) is 33% pre-tax (26% after-tax) on base case start-up capital cost of US$339 million (includes 10% contingency).**
- **IRR increases to as high as 61% pre-tax with start-up capital cost of US$123 million if maximum leasing option is selected.**
- **NPV10 US$369 million pre-tax (US$223 million after-tax) on base case, increasing to up to US$410 million if leasing is selected.**
- **Early mine life production peaks at 2 million clean tpa, levelling off at 1.7 million tpa average over the project's 16 year mine life.**
- **Low life-of-mine clean coal strip ratio of 9.9:1 BCM:t supports low cost production, with an average of 7.6:1 BCM:t during the first four years of operation.**
- **Hard coking coal comprises approximately 84% of life-of-mine sales, with the balance a low to mid volatile PCI product. Average coal sales price (all products) life-of-mine is US$165/tonne**
- **FOB cost averages US$88.64 during the first four years of operation for the base case: life-of-mine average is US$100.38/tonne.**
- **Plant yield averages 52% life-of-mine, peaking in the early years with 59% average in the North block.**
- **ROM reserves total 56 million tonnes, of which 50 million tonnes are Proven and 6 million tonnes Probable. These figures totally exclude the high potential Southern Extension inferred resource area.**

Jameson Resources (ASX: JAL) is pleased to report that the Prefeasibility Study (PFS) on its Crown Mountain coking coal project in Canada shows the development will have outstanding economics and be technically robust.

The Company commenced certain longer-term environmental studies in April 2012 with the objective of fast-tracking the permitting process. This work is expected to be completed in time to meet the first production date of late 2017.

Introduction

The PFS has been managed by Norwest Corporation ("Norwest") of Calgary, Alberta, an independent contractor, in accordance with CIM Standards as required by National Instrument 43-101 ("NI43-101") and in compliance with the JORC Code 2012 Edition. Jameson authorized this work after a Preliminary Economic Assessment completed by Norwest on April 7, 2013 found the Project would have robust economics. This was followed by an extensive bulk sampling (large diameter coring) program during the summer of 2013 that determined the majority of Crown Mountain's product would be hard coking coal.

Crown Mountain is located in the Elk Valley of southeast British Columbia, source of the majority of Canada's hard coking coal exports, and home to five operating mines. Crown Mountain is ideally situated between Teck's Line Creek and Elkview operations, and displays similar geology and coal quality. With a relatively low strip ratio, Crown Mountain has several competitive advantages among the field of developing coking coal assets worldwide, including being located in an infrastructure-rich area of stable and politically favourable Canada.

Norwest performed several alternate and sensitivity analyses on the Project. These, and other key information detailing the material assumptions of the PFS, are contained on the pages which follow, and are an integral part of this announcement.

Management is excited about the results of the PFS, and plans to continue to move forward with Crown Mountain. This will be accomplished on two fronts:

- The Environmental Assessment field work required to compile a permit application will continue to be fast-tracked, with the aim of achieving the late 2017 first production target date in the PFS.

- Detailed evaluation will be performed with respect to developing alternate scenarios which build upon the PFS and continue to provide improvement in the financial result:

    - The potential of the Southern Extension (excluded from the PFS due to Inferred Resources), will be reviewed, potentially leading to limited additional exploration of that target. The Southern Extension may contribute to improved economics and a possible shift in the PFS mine sequencing and size of the operation.
    - Blending opportunities between pits will be assessed as a means to improve overall product sales realizations.
    - Opportunities to utilize contract mining will be explored with qualified parties.
    - The potential for synergies with neighbouring operations/ projects will be evaluated.

Jameson believes the PFS is only the first step in quantifying the value of Crown Mountain, and looks forward to continuing to refine the potential of this strategic asset.

On Behalf of the Board of Directors,

Art Palm
Chief Executive Officer

ASX LISTING RULE 5.16 DISCLOSURE AND COMPLIANCE STATEMENT

The results and underlying assumptions for the PEA were reported to ASX on 17 April 2013 in an ASX announcement entitled "PEA Confirms Potential Robust Economics on Crown Mountain Coal Project" and further detailed in the 2013 Annual Report to Shareholders. In addition, updated coal quality results were reported to ASX on 14 March 2014 in an ASX announcement entitled "Positive Property-Wide Coal Quality, Crown Mountain Coking Coal Project".

Included in the above-referenced documents was key information with respect to how production targets were determined. The Company is not aware of any material changes to the assumptions, technical parameters, and engineering methodology supporting the estimates in the relevant market announcements. Further, the production targets are underpinned by the estimated resources contained in the 14 March 2014 announcement and restated below in Table 2. Those resources have been prepared by a competent person in accordance with the requirements of Appendix 5A of the 2012 JORC Code.

Resources

In early 2013, Norwest Corporation completed a compliant Resource Report and estimated a total of 66.6 million measured and indicated tonnes in Crown Mountain's North and South blocks. An additional 23.7 million tonnes was identified as inferred resource, in the Southern Extension area.

This initial resource estimate was updated by Norwest in March 2014. The update, based on summer 2013 drilling results, resulted in an increase of Measured and Indicated resources to 74.9 million tonnes (the inferred category remained unchanged, as the Southern Extension was not explored in 2013). It is the 74.9 million tonne resource upon which the PFS is based.

RESOURCE AREA	Measured (Mt)	Indicated (Mt)	Measured & Indicated (Mt)	Inferred (Mt)	Measured, Indicated & Inferred (Mt)
North Block	7.9	7.1	15.0	0	15.0
South Block	51.3	0	51.3	0	51.3
Southern Extension	0	0	0	23.7	23.7
TOTAL	**59.2Mt**	**7.1Mt**	**66.3Mt**	**23.7Mt**	**90.0Mt**

Table 1: Crown Mountain Resource 2013 (Effective January 21, 2013)

RESOURCE AREA	Measured (Mt)	Indicated (Mt)	Measured & Indicated (Mt)	Inferred (Mt)	Measured, Indicated & Inferred (Mt)
North Block	8.0	6.0	14.0	0	14.0
South Block	60.9	0	60.9	0	60.9
Southern Extension	0	0	0	23.7	23.7
TOTAL	**68.9Mt**	**6.0Mt**	**74.9Mt**	**23.7Mt**	**98.6Mt**

Table 2 – Crown Mountain Resource 2014 (Effective March 11, 2014)

Note: Data for Tables 1 and 2 was prepared in accordance with provisions of NI 43-101 and presented above in accordance with the JORC Code (2012 Edition), Clause 26.

Reserves

The PFS has identified 55.8 million ROM tonnes as a coal reserve, of which 49.7 million tonnes are classified as Proven and 6.1 million tonnes as Probable. These reserves are underpinned by the resources contained in the preceding Table 2.

Area	ASTM Group	Run of Mine Coal Reserves (Ktonnes)			
		Proven		Probable	
		COKING	PCI	COKING	PCI
North Pit	Bituminous	7,252	756	4,907	1,192
East Pit		3,563	461	0	0
South Pit		31,784	5,913	0	0
Sub-Total		**42,599**	**7,131**	**4,907**	**1,192**
Total Proven & Probable		**49,730**		**6,099**	
Total		**55,829**			

Table 3 – Run of mine surface mineable reserve summary (ktonnes)(as at May 31, 2014)

Basic PFS Assumptions and Design Parameters

Jameson provided guidance to Norwest regarding the desired annual output of the operation. The guidance provided by Jameson is listed below:

Preliminary Economic Assessment - Parameters	
Resource Base	Measured and Indicated only: exclude all Inferred
Mine Life	Through to exhaustion of economic resources
Clean Coal Production Rate	1.5 to 2.0 million tons per annum (Mtpa)
Time To First Production	Base schedule on fast-tracking project

Table 4 - Preliminary Economic Assessment Parameters

Currency and Exchange Rates

All costs discussed in the PFS are in Canadian dollars. Coal sales prices are presented in US dollars.

The exchange rate assumed is 0.92 CAD per USD. This rate was estimated by Norwest based on current economic conditions and publicly available data from various sources.

However, for the purpose of simplicity, all economic figures presented in this announcement have been converted to USD.

Mining and Processing

The mining method selected for Crown Mountain in the PFS is open pit. Mining equipment includes excavators, front end loaders, and haul trucks, supported by dozers, backhoes, and blasthole drills. This type of equipment is typical for Elk Valley mining operations, and includes equipment specific to selective mining in certain thinner seams present on the property. The vast majority (90%) of overburden removal is projected to require blasting.

Part of the initial screening work on the PFS was to develop break even strip ratio (BESR) mining pits. Norwest accomplished that objective by using costs from the 2013 Preliminary Economic Assessment and revised coal sales price forecasts of US$155 per tonne for hard coking coal (down from the $202 sales price assumed in the PEA) and US$110 for PCI coal (versus US$142 in the PEA). This work, and the mine design and economic evaluation process that followed, resulted in the identification of project reserves, as are presented in this announcement.

The mine plan has been sequenced to extract the low strip ratio North block first, followed by the smaller East block (a subset of the South block, but a distinctly higher quality and discrete mine pit) and ultimately the large South block.

Following geotechnical evaluation of the core recovered during the 2013 exploration program, and considering available regional data, the following design parameters were used in the pit design:

Highwall	Inter-ramp Angle = 48° for a maximum wall height of 150m. Walls higher than 150 m require an additional 20 m catch bench between stacks.		
Footwall	Bedding Plane Dip	Berm Width	Berm Frequency
	< 35°	0 m	Not required
	36° to 50°	8 m	70 m
	51° to 65°	8 m	30 m
	> 65°	10 m	30 m

Table 5 – Crown Mountain Pit Slope Guidelines

After pre-stripping, North block coal is mined beginning in late 2017. To allow for desired annual production, multiple pits are operated (ie: he East block pit begins concurrent production in 2018).

Annual production, after accelerating in 2018, reaches just over 2 million clean tonnes per annum in 2019 and 2020, followed by a gradual decline as the lower recovery South block is mined. The annual production averages 1.7 million clean tonnes per annum until the final partial year of operation.

It has been assumed that coal loss and out-of-seam dilution (OSD) occurs at every rock/coal interface except where partings are mined as part of the ROM product. Evaluation of site-specific conditions, and review of both local and other comparable operations, have resulted in the assumption of coal loss (pit loss) of 0.15m per contact, and concurrent OSD of 0.10m. Best practice selective mining will be employed over much of the Crown Mountain project area. ROM cutoffs for estimated plant yield result in any coking coal under 15 percent yield and PCI under 25 percent being treated as waste.

Mined ROM coal is hauled from the pit to a de-rocking device (rotary breaker or equivalent) where some of the larger size out-of-seam dilution (OSD) is removed.

As with all Canadian metallurgical coals, a wash plant is required. The PFS locates the plant proximate to the mine site. This accomplishes multiple goals: (a) it reduces trucking costs for the ROM material, (b) it allows plant reject disposal to occur at or near the mine site, and (c) plant reject (high in shales and clays) will be used to form barriers across the spoil piles, thus reducing permeability and mitigating the potential for metal leaching (metal leaching, particularly but not limited to selenium, is an issue in the Elk Valley).

Plant yield peaks in the early years when the North block makes the major contribution. North block plant yield is 59 percent. The East block plant yield is 55 percent, followed by a 48 percent plant yield in the South block. The life-of-mine plant yield is 52 percent. The primary processing method is heavy media cyclone and reflux classifier, supplemented by column cell flotation for fines recovery. A thermal drier is included in plant design.

Washed coal will be conveyed down the mountain (3 km) and then trucked approximately 9 km to a stockpile/loadout area where the product would ultimately be loaded via 16,000 tonne capacity silo onto railcars on a new rail loop to be located adjacent to Canadian Pacific's ("CP") existing common-user railway. The loadout facility includes silo storage with a batch weigh bulk loading system for accurate load control and freight cost management.

Infrastructure

The Project is located in an infrastructure-rich area. Teck operates a total of five coking coal mines in the Elk Valley and general vicinity: two of these operations are south of Crown Mountain and three are north. As a result, mainline rail, power, and supporting communities are all nearby.

CP's rail is 14km from the mine site, and just 11km from the discharge of the Project's overland clean coal conveyor.

Power lines will be extended 14 km from the main transmission line to the preparation plant. A natural gas line of similar length is planned to provide heat for the thermal drier and support facilities.

Existing access roads to the Project will be upgraded: these roads have already been used for logging operations and product transportation by a local quarry.

Water supply will originate from a storage pond to be located adjacent to Grave Creek. Seasonal flow studies and estimated Project water requirements indicate this is a viable solution.

The towns of Sparwood, Elkford, Fernie, and Crowsnest Pass will be the source of the Crown Mountain work force, and house numerous mining-related service industries.

Transport

Once loaded onto rail, carrier CP will transport the coal to either Westshore Terminals ("Westshore") near Vancouver, or to Ridley Terminals ("Ridley") near Prince Rupert, where it will be loaded into ships. Westshore, at a distance of approximately 1,200 km, is the terminal of choice for Crown Mountain coal, with an estimated transportation cost (combined rail and port) of US$32.20/tonne.

Capacity expansion continues at the two main Vancouver ports (Westshore and Neptune) and it is believed Westshore will have available capacity when the first coal from Crown Mountain is available to be shipped.

As an alternative, Norwest also evaluated shipping the longer distance to Ridley (at a combined US$46.92/tonne transportation cost). With two rail carriers involved (CP and Canadian National) additional costs have been included for interchange. There are no significant capacity constraints with either of the railway carriers.

All clean coal production from Crown Mountain is assumed to be exported. Coal is sold FOB vessel.

Coal Quality and Product Mix

Based on the results of 2013's bulk sampling program, Norwest has determined that the majority of Crown Mountain product will be hard coking coal. A minority amount of PCI coal will be produced. There will be no material amount of thermal coal produced at Crown Mountain.

Based on assumptions employed by Norwest in the PFS, the clean coal product mix is estimated as:

Hard Coking coal	84%
PCI coal	16%

Norwest has stated the North block hard coking coal should be equal to the best hard coking coal exported from Canada, and will thus command near benchmark pricing. The South block hard coking coal product has been discounted to reflect certain parameters that are not as attractive as the North block counterpart; there is the potential for this evaluation to change if additional coal quality exploration is performed on the South block.

Blending of North and South Block coals, evaluated during the extensive lab testing performed on core, shows potential to increase life-of-mine revenue, and will be investigated by Jameson moving forward. Blending was not part of the optimization process for the PFS, and thus there does exist potential upside in this area.

Table 6 presents a summary of Crown Mountain coal quality compared to other western Canadian sources, as contained in the PFS. Of particular note is the relatively high (and attractive) CSR (coke strength after reaction), a property of great importance to coal buyers:

	Crown Mountain Coking Coal[1]		Canadian NEBC[2] HCC[4]	Canadian SEBC[3] HCC[4]	Central Alberta[4]
	North and East Blocks	South Block			
Total Moisture (% as received)	8 - 9	8 - 9	8 - 9	8 - 9	8 - 9
Volatile Matter (% dry)	20.5	18	23 - 24.5	21 - 27	17 - 27
Ash Content (% dry)	9	9	8.3 - 8.6	8.5 - 9.6	8.5 – 9.5
Sulphur Content (% dry)	0.6	0.6	0.45 - 0.55	0.35 - 0.75	0.45 - 0.5
Free Swelling Index (FSI)	7 - 8	4 - 5	7 - 8	6 - 8	5 - 7
Vitrinite Reflectance R_oMax (%)	1.45	1.59	1.15 - 1.25	1.10 - 1.35	1.10 – 1.60
Maximum Fluidity (ddpm)	30	5	150 - 300	40 - 300	15 - 700
Phosphorus in Coal (% dry)	0.060	0.100	0.008 - 0.040	0.010 - 0.065	0.016 – 0.050
Base/Acid Ratio of Ash	0.07	0.05	0.12 - 0.18	0.07 - 0.10	0.11
CSR (Coke Strength after Reaction)	75	67	58 - 60	68 - 72	58 - 60

***Table 6* – Quality Comparison of Crown Mountain Coal with Other Canadian Export Coking Coals**

Notes:

[1] Results are based on laboratory scale washing and testing of exploration samples.

[2] North east British Columbia.

[3] South east British Columbia.

[2] Results are based on full washing plant under operating conditions.

Data source: Kobie Koornhof Associates

Coal Pricing

Norwest retained Kobie Koornhof Associates ("Koornhof"), a well-respected coal market specialist, to provide coal price forecasts (USD) over the life-of-mine for Crown Mountain's two products (main product: hard coking coal and secondary product: PCI coal). Koornhof provided a forecast for the period 2018-2020, and a second forecast for years 2021 and beyond, a period Koornhof believes will witness a "step-change" in pricing due to its assessment of long term supply and demand. Further, pricing was segregated by mining area (North and South Blocks) as the North Block's coal quality is exceptional (benchmark grade):

PERIOD	COAL TYPE	NORTH	SOUTH
2018-2020	Hard Coking	$170	$151
	PCI	$113	$113
2021 and beyond	Hard Coking	$190	$169
	PCI	$126	$126

Table 7 - Coal Pricing Assumptions (USD)

It should be noted that while the above prices form the base case analysis contained in the PFS, Norwest has also performed considerable work related to price sensitivity, the results of which are presented later in this announcement.

Environmental Issues

The PFS and ongoing Environmental Assessment ("EA") effort have significantly added to the Company's understanding of environmental issues at Crown Mountain. Importantly, with the Project located in an area populated by operating coal mines, the environmental factors are relatively well defined.

One of the major environmental issues in the Elk Valley relates to metal leaching and its effect on water quality. In particular selenium (and to a lesser degree cadmium, calcite, and other elements) has reached elevated levels in the Elk River watershed. As a result, the province formed a task force headed by Teck that has recently developed the Elk Valley Water Quality Plan (draft report was submitted by Teck on 22 July 2014). Mitigation and control methodologies to address these issues have played a large role in the design of the Crown Mountain spoil piles and the use of wash plant reject to systematically "cap" spoil areas to reduce water infiltration. The Company is committed to utilize environmental best practices across the entire operation, and will closely monitor actions by other local mines, and emerging technologies, during the course of mine design and construction.

Jameson installed multiple ground water monitoring stations in 2013 and collects quarterly data. Norwest has evaluated that information and utilized the results to address issues such as pit dewatering and groundwater contamination. The PFS does not anticipate any material environmental challenges associated with groundwater.

Additional permits must be acquired by the Company before mine construction can commence. To apply for these permits, significant study must be performed on areas such as wildlife, water quality, air quality, archaeological issues, etc. While the Company has not submitted any permit applications at this stage, it has been busy collecting the requisite data, and it is Norwest's opinion that the required permits are reasonably expected to be obtained, and the timing schedule provided in the PFS (initial mine production by late 2017) is reasonably achievable, provided Jameson executes the required critical path activities in a timely and administratively complete manner.

First Nations, Governmental, and Third Party Issues

Crown Mountain is located in traditional First Nations territory. Specifically, both the Ktunaxa and Shuswap bands claim such traditional use. Jameson has been in contact with these organizations and has established a policy of close cooperation and communication moving forward. First Nations are intimately involved in the mine permitting process through the referral and commenting routines established between First Nations and provincial government. It is incumbent on the province, and in turn Jameson, to understand and address the issues brought forth by First Nations.

In addition to First Nations, there are governmental and private entities that have certain interests with respect to land use, and can be expected to participate in the permitting process through referral and comment. Such entities include, but are not limited to, local governing authorities and special use organizations such as recreational clubs, etc.

Norwest has evaluated potential issues that may arise during the permitting process and believes it is reasonably likely Jameson will be able to adequately address these issues and receive the required permits per the project schedule.

All mining and coal processing activities, including refuse and spoil disposal, will occur on land either now controlled, or under application, by Jameson. The water supply, access and haulage roads, and preferred rail loop/loadout site are on property controlled by one or more third parties. It is assumed in the PFS that the necessary access and surface disturbance rights will be acquired without major issue.

Capital and Operating Costs

Start-up capital expenditure to support the mining and processing operation has been estimated by Norwest to be $339.7 million as detailed in Table 8. This represents the base case for the project.

Pre-Production Capital	US$M
Major Mobile Equipment	108.1
Minor Mobile Equipment	8.3
Wash Plant	57.8
Infrastructure (rail load-out, roads, power, offices, shop etc) and permitting	93.7
Pre-Strip	40.9
SUBTOTAL – CAPITAL	308.8
Contingency @ 10%	30.9
TOTAL CAPITAL	**339.7**

Table 8 – Pre-Production Capital (Base Case)

The base case mine operating cost estimate has been developed from first principles and considers all aspects of the mining operation, including coal processing, coal and waste loading and haulage, topsoil salvage and replacement, road maintenance, water management, reclamation and site administration. Operating costs are summarised in Table 9.

Cost Category	Cost Per Clean Tonne Life-Of-Mine US$
Waste Removal	41.41
Coal Mining	8.00
Plant	8.66
Clean Coal Handling	2.61
Reclamation	1.24
Marketing/Corporate	1.24
Administration	5.02
Total Costs – Site	68.18
Rail and Port Costs	32.20
Total Costs - FOB ***(pre-tax and royalty)***	**100.38**

Table 9 – Prefeasibility Base Case FOB Costs (Pre-Tax Basis)

Alternate financing scenarios have also been examined by Norwest designed to reduce start-up capital whilst preserving the overall performance of the project.

It is possible, indeed common, to lease mobile equipment rather than expend capital (Table 10). Although less common, it is also possible to utilise a third-party to construct and operate the wash plant and associated facilities, again saving up-front capital (Table 11).

Pre-Production Capital	US$M
Major Mobile Equipment	0
Minor Mobile Equipment	8.3
Wash Plant	57.8
Infrastructure (rail load-out, roads, power, offices, shop etc) and permitting	93.7
Pre-Strip	40.9
SUBTOTAL – CAPITAL	200.7
Contingency @ 10%	20.1
TOTAL CAPITAL	**220.8**

Table 10– Pre-Production Capital – Lease Major Equipment

Pre-Production Capital	US$M
Major Mobile Equipment	0
Minor Mobile Equipment	8.3
Wash Plant	0
Infrastructure (rail load-out, roads, power, offices, shop etc) and permitting	62.7
Pre-Strip	40.9
SUBTOTAL – CAPITAL	111.9
Contingency @ 10%	11.2
TOTAL CAPITAL	**123.1**

Table 11– Pre-Production Capital – Lease Major Equipment, Plant and Associated Facilities

Sustaining capital requirements, included in the NPV and IRR calculations below, are US$211 million for the base case, and US$37 for the leasing scenarios.

Operating costs for the leasing alternatives are presented in the next section.

Prefeasibility Economic Results

The life-of-mine (LOM) is estimated at 16 years, with annual clean coal sales ranging up to 2.0Mtpa based on plant yields, which vary by mining area. A total of 26.4 million tonnes of clean coal is sold, of which 22.3 million tonnes (19.7 million tonnes Proven and 2.6 million tonnes Probable Reserve) is hard coking coal, and the balance of 4.1 million tonnes PCI (3.4 million tonnes Proven and 0.7 million tonnes Probable Reserve).

The clean coal stripping ratio (BCM of waste to tonne of clean coal) ranges from 6.5:1 to 8.8:1 during the first 4 years of operation. This is considered to be low and attractive relative to other surface coking coal projects. The low life-of-mine clean strip ratio of 9.9:1 is due to Crown Mountain's topography and the presence of several major coal seams near surface.

Primary outputs from the PFS are listed in Table 12 (pre-tax) and Table 13 (after-tax). Results for the alternate scenarios which consider leasing all mobile equipment and leasing the plant (and associated appurtenances) and operating it on a contract basis are included.

Scenario	Start-Up Capital	LOM FOB US$/tonne	IRR %	NPV10 US$M
Base Case	339.7	100.38	32.9	370.7
Lease Mobile Equipment	220.8	111.32	43.2	405.3
Lease Equipment & Plant	123.1	117.10	61.5	409.8

Table 12 – Prefeasibility Economics (Pre-Tax Basis) (Capital includes 10% contingency)

Scenario	Start-Up Capital	LOM FOB US$/tonne	IRR %	NPV10 US$M
Base Case	339.7	100.38	26.4	223.5
Lease Mobile Equipment	220.8	111.32	35.1	255.9
Lease Equipment & Plant	123.1	117.10	50.1	263.1

Table 13 – Prefeasibility Economics (After-Tax Basis except FOB) (Capital includes 10% contingency)

From above it can be seen the option of leasing the mobile equipment and plant presents the lowest start-up capital and highest economic return.

Sensitivity Analysis

Norwest has performed a sensitivity analysis by varying certain factors over the life of the operation, the results of which are presented in Table 14. The selected parameters evaluated are:

- **Coal Sales Price:** the model is very sensitive to the coal sales price. However, the favourable economics at Crown Mountain provide for positive economics even in the face of lower prices. As the summary (Table 14) demonstrates, the project displays a 23.6% pre-tax IRR (18.6% after-tax) at a 10% coal price reduction (equivalent to US$153 for the initial period). Similarly, when coal prices are increased above the base assumptions, the benefits are significant, as displayed in the table.

- **Port:** The PFS has assumed shipping out of Vancouver. Should that prove unachievable due to capacity constraints, there is an additional cost of US$14.72 to transport coal to the Ridley terminal in NW BC. The base case pre-tax IRR of 32.9% would drop to 24.6% in that event.

- **Operating Cost:** A +/- 10% sensitivity to operating cost is shown in the table. The effect on economics is not as significant as coal sales price variation.

- **Capital Cost:** As with operating cost, the effect is not as impactful as varying the coal sales price. However, what the capital and operating cost sensitivities both point out is the potential to improve project economics by focusing on options such as contract mining, used equipment (where appropriate) and continuing to refine the estimates contained in the PFS.

NPV10 (K US$'s)					
		Pre-Tax		After Tax	
	Sensitivity Range	+	-	+	-
Base Case		$370,669		$223,467	
Selling Price	+/-10%	$543,719	$197,602	$336,496	$108,504
Rail & Port	+14.72$/tonne	$216,467		$120,977	
Operating Cost	+/-10%	$302,411	$438,926	$178,605	$268,035
Capital Cost	+/-10%	$339,765	$401,573	$201,056	$245,473
IRR %					
		Pre-Tax		After Tax	
	Sensitivity Range	+	-	+	-
Base Case		32.9%		26.4%	
Selling Price	+/-10%	41.2%	23.6%	33.1%	18.6%
Rail & Port	+14.72$/tonne	24.6%		19.5%	
Operating Cost	+/-10%	29.6%	36.0%	23.6%	28.9%
Capital Cost	+/-10%	29.7%	36.7%	23.7%	29.4%

Table 14– Sensitivity Analysis

Key Risks

The 2013 PEA identified several risks applicable to the Crown Mountain Project. The summer 2013 exploration program, ongoing environmental field work, and certain PFS-related tasks, were designed to address, and where possible, mitigate those risks. The material risks identified in the PEA, and their current post-PFS status, are listed below:

- ***Market Risk**: While the Norwest economics are based on pricing forecasts from reputable and respected sources, there is no guarantee these forecasts will prove accurate. The PFS has used sales prices significantly lower than those used in the PEA.*

- ***Coal Quality**: A definitive understanding of coal quality at Crown Mountain was not available for the PEA: the summer 2013 exploration program was designed to obtain that information, and it was highly successful. The PFS is based on significantly more reliable and detailed coal quality information; there remains some risk until actual sample shipments have been made from Crown Mountain to prospective customers and accepted as compliant to their specifications.*

- ***Plant Yield**: As with coal quality, plant yield had not been defined in the PEA, other than a broad 40-60 percent range that bracketed available data at that time. Significant information on coal washability was acquired during the summer 2013 bulk sampling and evaluation program. This data is deemed to be sufficient for PFS level engineering. Plant yield has now been specifically estimated for each mining area (North, East, and South). The risk of these estimates being materially in error is judged to be low.*

- ***Environmental**: Any mining operation must be engineered and operated to meet existing environmental standards, including but not limited to air and water quality. While the summer exploration program and ongoing Environmental Assessment data collection has greatly expanded the knowledge base at Crown Mountain, Jameson is not in a position at this time to accurately determine the government's reaction to what environmental and mining permits Jameson may in the future submit.*

- ***Port**: At this time, it appears likely that port capacity will exist once Crown Mountain commences operation. However, there are several other coal projects under evaluation in western Canada which also contemplate export. Jameson does not at this time hold a contract for port capacity. Until a contract is executed (currently under management discussion) there remains a risk associated with this category. In addition, should a contract be signed, a risk may be present should that contract contain any economic penalties such as take-or-pay stipulations.*

Next Steps and Potential Upside

The PFS examined Jameson building and operating the Project as a company-owned stand-alone entity. This represents a worst-case with respect to capital. Additionally, the South block reserve is mined immediately after the North and East reserves, ignoring the potential value of the Southern Extension.

Over the next few months Jameson will be evaluating several value-enhancing alternatives, including but not limited to the following:

- Discussions will be held with contract mining firms to develop a cost estimate for utilizing contract mining.

- Alternative annual production levels will be examined to test their effect on overall project economics.

- Blending of North and South Block coals was evaluated during coal quality testing. The PFS was performed based on a logical progression of mining North, East, and South. A mining strategy based on optimizing coal quality (and resulting in higher overall sales prices life-of-mine) will be evaluated.

- Emerging technologies will be evaluated as potential replacements for the use of a traditional thermal drier in the plant.

- The potential of the Southern Extension will be examined in greater detail to determine the viability of mining the Southern Extension immediately after the North and East Blocks. There is limited information available; meaning some level of additional exploration will be required.

- Synergies between Crown Mountain and other regional projects will be evaluated, and the appropriate parties approached to engage in discussions.

- The Company intends to initiate a Feasibility gap analysis within a few months to identify outstanding data collection requirements for a Bankable Feasibility Study ("BFS"). The results of that evaluation will determine the scope of any 2015 field work required to support the BFS.

Concurrent with the above items and recognizing the value of Crown Mountain, Jameson intends to continue fast-tracking the EA process with the objective of having the Project ready to enter the construction phase once market conditions improve.

The most significant critical path item on the road to production is completion of the requirements for an EA and submitting the associated permit application. Jameson has dedicated significant resources to this effort and is in the final stages of preparing to submit a Project Description document to commence this process. Meanwhile the Company continues the collection of a wide array of environmental data in the field.

Summary

The Crown Mountain project is located in an infrastructure-rich area, has a favourable clean coal stripping ratio and will produce predominantly hard coking coal generating attractive economics. Jameson intends to continue to fast-track Crown Mountain with the objective of meeting the PFS' mine development commencement of 2016 and projected first production in late 2017.

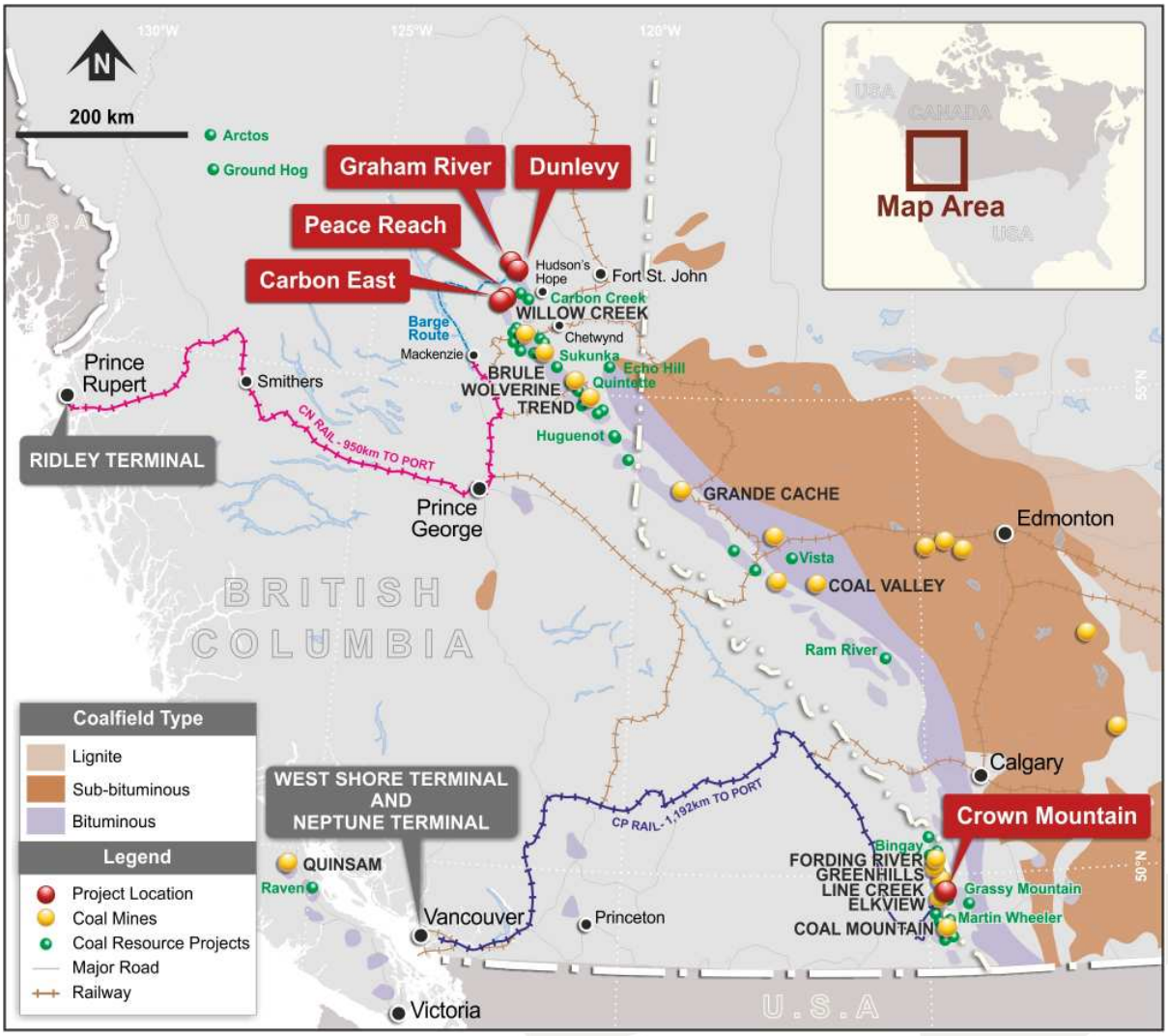

Figure 1: Project Location Plan – Western Canada

Figure 2: Crown Mountain Regional Location Plan

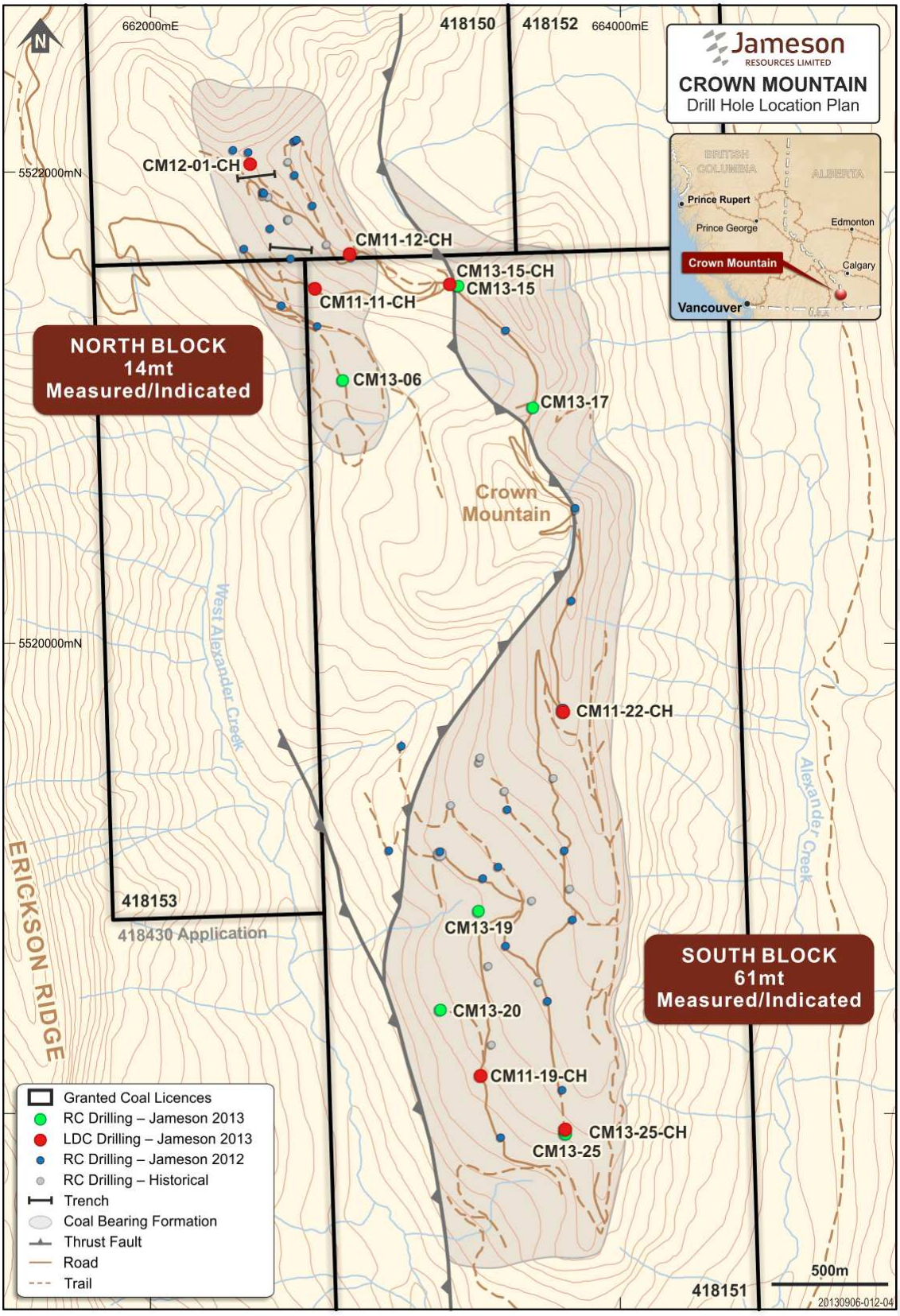

Figure 3: Crown Mountain Exploration Plan

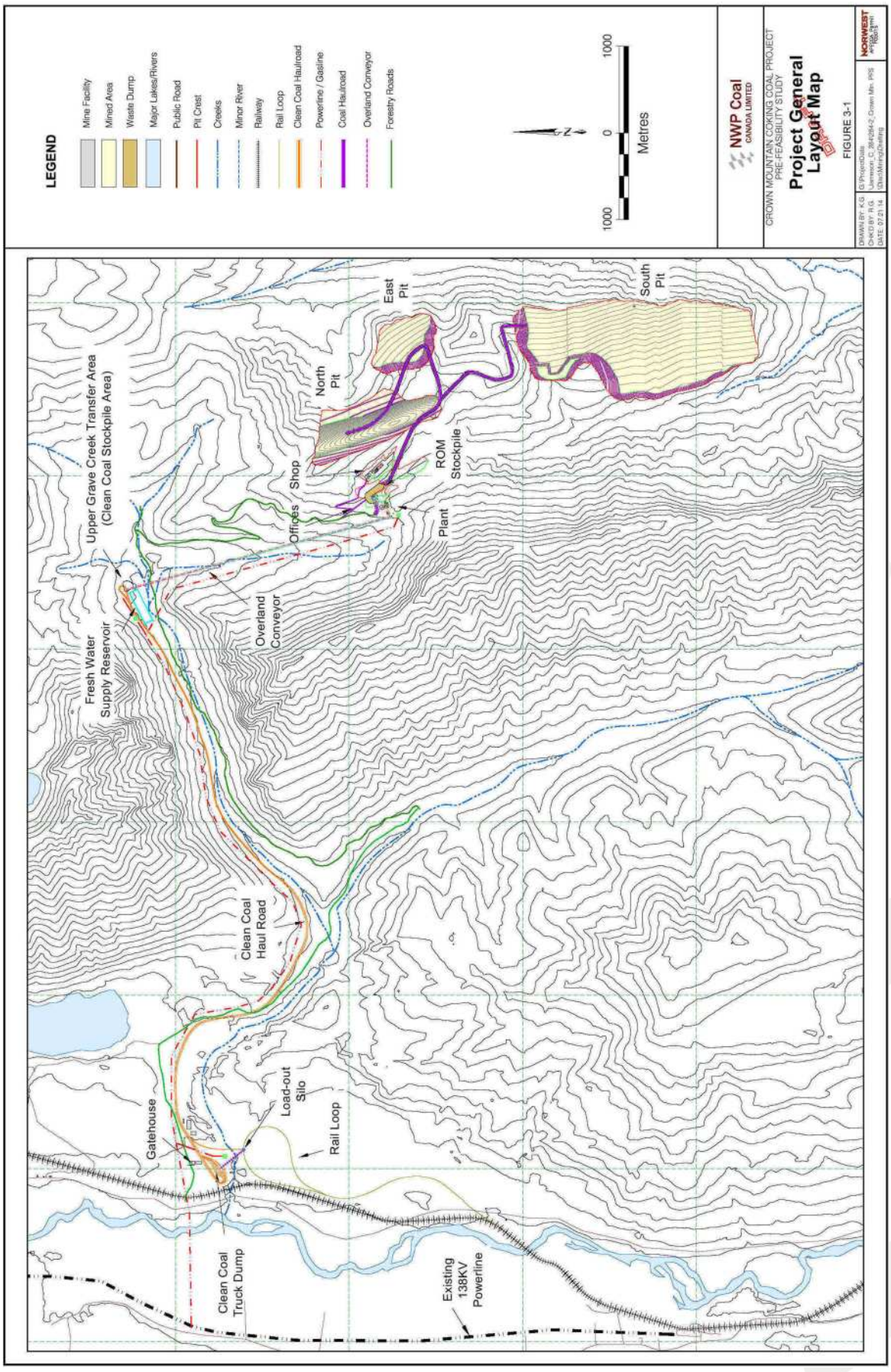

Figure 4: Crown Mountain Site Plan

About Jameson Resources Limited

Jameson Resources Limited (ASX:JAL) is a junior resources company focused on the acquisition, exploration and development of strategic coal projects in western Canada. The Company has a 90% interest in the Crown Mountain coal project, and a 100% interest in the Peace River coal projects including the Dunlevy located in British Columbia.

Jameson's tenement portfolio in British Columbia is positioned in coalfields responsible for the majority of Canada's metallurgical coal exports and are all close to railways connecting to export facilities.

To learn more, please contact the Company at +61 89200 4473 visit:
www.jamesonresources.com.au

Competent Person Statements

The information in this ASX Announcement that relates to the prefeasibility study and Coal Reserve estimates accurately reflects information prepared by Mr. Keith Wilson P. Eng, who is a competent person (as defined by the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves). The information in this public statement that relates to the prefeasibility study and Coal Reserves at the Crown Mountain Project is based on information resulting from PreFeasibility works carried out by Norwest Corporation. Mr Wilson is a Member of a Recognised Overseas Professional Organisation (ROPO) included in a list promulgated by the ASX from time to time, being the Association of Professional Engineers and Geoscientists of British Columbia. Mr. Wilson is an employee of Norwest Corporation and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Wilson consents to the inclusion in the document of the matters based on his information in the form and context in which it appears.

Mineral Resource

The information in this ASX Announcement relating to the Mineral Resource estimate in Table 2 on the Company's Crown Mountain Coal Project is extracted from the ASX Release entitled "Positive Property-Wide Coal Quality, Crown Mountain Coking Coal Project" announced on 14 March 2014 and is available to view on the ASX website (ASX:JAL), and the Company's website. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, that all material assumptions and technical parameters underpinning the resource estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Forward Looking Statements

This announcement contains "forward-looking statements". Such forward-looking statements include, without limitation: estimates of future earnings, the sensitivity of earnings to commodity prices and foreign exchange rate movements; estimates of future production and sales; estimates of future cash flows, the sensitivity of cash flows to commodity prices and foreign exchange rate movements; statements regarding future debt repayments; estimates of future capital expenditures; estimates of resources and statements regarding future exploration results; and where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, forward looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include, but are not limited to commodity price volatility, currency fluctuations, increased production costs and variances in resource or reserve rates from those assumed in the company's plans, as well as political and operational risks in the countries and states in which we operate or sell product to, and governmental regulation and judicial outcomes. For a more detailed discussion of such risks and other factors, see the Company's Annual Reports, as well as the Company's other filings. The Company does not undertake any obligation to release publicly any revisions to any "forward looking statement" to reflect events or circumstances after the date of this release, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg, submarine nodules) may warrant disclosure of detailed information.*	• Reverse circulation ("RC") and large diameter core ("LDC") drilling was used to collect samples. • RC samples were collected on 0.5m intervals as soon as coal zones were reached. Drilling was stopped between each sample for dewatering and to allow accurate interval separation. • Sample bags were assigned hole and individual sample numbers, zipped tied and stored in heavy duty plastic tubs for transportation to laboratory. • For LDC drilling, all coal seams ≥0.5m were sampled. The entire coal zone was sampled and bagged for analysis. Rock partings ≥0.5m were sampled and bagged separately. • A suite of geophysical logs, including density, gamma, neutron, temperature and drill hole deviation were run both within drill pipe on all holes and in the open hole where ground conditions permitted.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• In 2012 Jameson Resources Limited ("Jameson") undertook an exploration drilling program which included 40 reverse circulation drill holes for a total of 5,707m. • In 2013 Jameson undertook an exploration drilling program which included a total of 6 RC drill holes for 796m and 7 LDC (150mm) core holes for 853m using standard tube. • LDC holes were twinned from existing 2012 and 2013 RC pilot holes. Holes were drilled vertical. The majority of the hole was cored. Certain sections of thick interburden (sandstone) were hammer drilled. • RC holes were drilled using a conventional face hammer, PDC or tri-cone drill bit.

Criteria	JORC Code explanation	Commentary
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Core recovery from the LDC was excellent - overall greater than 95%. Prognosis depth to coal seams was known from the geophysical log of the RC pilot hole. The driller was advised prior to reaching top of seam. Core catcher tools were used through less competent coal zones to ensure maximum recovery. • For the majority of LDC holes all of the coal seam recovered was submitted to laboratory for coal quality test work • 2012 RC samples were largely wet and passed over a static 100 mesh screen. 2013 RC samples were passed over a 325 mesh vibrating screen to ensure the vast majority of fine coal was retained and dewatered as much as possible. • Sample was collected in polywoven cloth bags on 0.5 metre intervals.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• All core was photographed immediately following separation of split barrel at rig and also following mark-up. • Core was geologically and geotechnically logged before sampling and shipment to lab. • RC holes were geologically logged. • Holes were geophysically logged as described in the section above. • All geophysical tools were calibrated by the logging Company (Century Wireline) using their internal calibration procedures. • Geophysical logs are analysed extensively and used to confirm and correct geological logs. Validation of geological logs against geophysics is undertaken to ensure accuracy.

Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• All core coal samples were bagged and placed into heavy duty plastic tubs on site before being transported to Birtley Coal & Minerals ("Birtley") in Calgary for coal quality test work. • Roof and floor dilution samples were also collected and sent to laboratory for test work. • Core samples from the roof and floor along with selected zones of interburden have been retained for metal leaching and acid rock drainage analysis. The British Columbia Ministry of Energy and Mines requires this data as part of the environmental approvals process. • All remaining core sample (non-coal) was retained in wooden boxes and has been retained on pallets at each drill site within project area. • The majority of RC sample collected through the coal zones was retained. • Birtley complies with Australian Standards for sample preparation and sub-sampling. • The collection of LDC ensured sufficient bulk sample was retained for all the required coal quality test work.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Birtley adheres to ASTM and ISO preparation and testing specifications and has Quality Control processes in place. • Birtley adopts standard quality control procedures and have participated in the International Canadian Coal Laboratories Round Robin Series (CANSPEX) since its inception. • Geophysical tools were calibrated by the logging Company Century Wireline using their internal calibration procedures.

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Many levels of analysis results verification are included in the ASTM standards relating to coal quality analysis. • All LDC holes are twinned holes from RC pilot holes drilled in 2012 and 2013 by Jameson. All holes have geophysical logs. • Sample and coal quality results were verified by Jameson and Norwest Corporation before being reported or used in the resource model. • All analytical data is provided by the coal laboratory and reviewed by external consultants for comments and reporting. No adjustments are made to any coal quality data: they are reported as received from the laboratory. • Coal quality data is stored in electronic format (Microsoft Excel) and then transferred to a database retained by Norwest Corporation in Calgary.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• All Jameson drill hole and trench locations are positioned by external professional contract surveyors Garrett Winkel Land Surveying Ltd both prior to and on completion of drilling campaign. • Holes are surveyed in UTM NAD83 CSRS datum with geodetic (sea level) elevation. • LIDAR topographic survey data with a 1m by 1m spacing was used to create gridded topographical surface.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Drill holes were nominally spaced at 150m in the North Block where geology is classified as Complex and at 250-300m spacings in the South Block where geology is classified as moderate. • A total of 12 trenches were constructed using a back hoe. Coal seams exposed were surveyed and provided additional data points used to confirm the geological model. • The data spacing is considered sufficient to give accurate control to the resource model and give the required confidence to the resource areas. • Coal quality samples were individually analysed. Individual samples from coal intervals from the 2013 drill campaign were subsequently composited on a seam basis.

Criteria	JORC Code explanation	Commentary
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• The orientation and spacing of the drilling grid is deemed to be suitable to detect geological structures and coal seam continuity within the resource area.
Sample security	• *The measures taken to ensure sample security.*	• Core when removed from the borehole remains in the core splits until identified and photographed. • All coal samples are then bagged and labelled both internally and externally, then placed in heavy duty sealed plastic tubs. • Samples are transported to laboratory on a hole by hole basis at the completion of each drill hole. A list of samples is created and a receipt is provided by the local courier. • All of the un-sampled core is placed in heavy duty sealed wooden boxes and placed on pallets, strapped with metal banding and stored on-site.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Jameson together with Norwest Corporation, Birtley Coal & Minerals Laboratory and other independent consultants were responsible for implementing and developing the sampling techniques and data capture. • Birtley adheres to ASTM and ISO preparation and testing specifications and has Quality Control processes in place. • All drill hole and analytical data is stored and retained by Norwest Corporation in a database. Jameson has retained copies of all analytical reports and data in excel format

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• Jameson through its wholly owned Canadian subsidiary NWP Coal Canada Ltd ("NWP Coal") has a 100% interest in the five granted coal licenses and one coal licence application covering the Crown Mountain project. The licenses 418150, 418151, 418152, 418153, 418154 and 418430 (Application) cover a combined area of 3,563 ha. • NWP Coal acquired the coal license rights from Robert J Morris in 2011. On completion of the transaction, Jameson has acquired a 90% interest in the property, the remaining 10% being retained by Mr Robert J Morris as an undivided 10% interest (non-profit sharing) • Jameson holds an option to acquire the remaining 10% interest. The option agreement requires that Jameson pay an annual rental fee of C$100,000. If Jameson elects to exercise the option and acquire the remaining 10% interest in the property it is obliged to pay Mr Robert J Morris a fee of C$2,000,000 which may take the form of a series of staged payments. • The only other payment that the property is subject to is the annual rental fee of C$18,116 and the statutory production royalties to the BC Provincial government. • The licences are in good standing and Jameson is unaware of any impediments to the security of tenure.

Criteria	JORC Code explanation	Commentary
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• In 1969, Crowsnest Industries Ltd. completed a drilling program of 11 holes for a total of 1,668m. Geophysical logs and survey data of the hole collars are the only records that remain from this drill program. • In 1979, Crowsnest Resources Ltd / Shell Canada completed a drilling program of 7 holes for a total of 901m. Core drilling was attempted in two shallow holes. • In 1980 and 1981, exploration using other methods was completed • Only minimal coal quality data was available from the historical exploration programs.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Crown Mountain Coal project lies within the Elk Valley coal field in southeast British Columbia, Canada. • The property is divided into three structural domains with separate geological attributes. The domains are referred to as the North Block, South Block, and Southern Extension. The Crown Mountain thrust fault ("CMF") separate the North Bock from the South Block and Southern Extension. • Coal seams are hosted within the Jurassic to Lower Cretaceous Mist Mountain Formation. The coal bearing Mist Mountain Formation is underlain by the Morrissey Formation which includes the regional cliff forming Moose Mountain Member. • Drilling has intersected three principal seams, named 8 Seam, 9 Seam and 10 Seam. The 8 and 10 Seams consist of three major plies. The term major seam has been defined to include all seven seams in order to distinguish them from other coal horizons referred to as rider seams. • The seven major seams have combined average net coal zone thickness of 35.32m in the North Block, 15.04m in the South Block and 14.79m in the Southern Extension.

Criteria	JORC Code explanation	Commentary
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• At Crown Mountain a total of 71 holes have been drilled on site. A total of 40 holes were drilled by Jameson in 2012 and a total of 13 holes in 2013. Some of the holes were drilled as angle holes. • All of the holes excluding CMR79-104 were used in the 2012 resource model. In addition, 12 trenches, 39 outcrop points with coal description and 203 outcrop points with dip and dip direction data were used in the 2012 resource model. • A full list of the drill holes used in the resource estimates including easting, northing, elevation, dip and azimuth, downhole depth and coal zone combined thickness and hole length is presented at the end of Table 1.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• For Crown Mountain a minimum coal thickness of 0.5m and a maximum non-separable parting thickness of 0.5m was used for coal and waste discrimination • The compositing of the Reverse Circulation (RC) samples was done by checking the thicknesses and depths of the recorded sample intervals against the depths on the geophysical logs. The sample intervals were then corrected to the logs, where needed. The composites of the 0.5m samples were assembled based on the sample description and the seam limits of the coal interval from the geophysical logs. • The compositing of the core samples was completed in a similar manner as the RC samples; the first step was to adjust the sample depths to those of the geophysical logs and then prepare the composites based on sample description, seam limits of the coal interval from the geophysical logs, and, additionally, from information on the core photographs. Separable and non-separable partings greater than a thickness of approximately 20cm were sampled independently from the coal. Depending on the parting thicknesses they were included or excluded in the composites. Selected rock parting, roof, and floor samples were analyzed separately from the coal.

Criteria	JORC Code explanation	Commentary
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• All 2013 holes were drilled vertical. Drill holes had a natural tendency to deviate from vertical because of the varying dips of strata and also variance in competency between coal seams and harder sandstone partings. • Any bias in apparent thickness was eliminated using geophysical logs. • Differentiation of coal of mineable thickness from separable waste intervals is based on true thickness. Using the down-hole survey for each drill hole, in combination with footwall polylines of each seam, an algorithm was used to convert down-hole lengths into true thickness for each of the intervals in a given coal zone.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Formal resource and other technical reports containing diagrams drawn to JORC listed requirements have been prepared by independent consulting firm, Norwest Corporation. • Diagrams include location maps, drill hole location plans and appropriate sectional views. • Jameson has also prepared diagrams for external reporting according to JORC listed requirements.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Norwest completed a resource estimate for Crown Mountain based on Jameson's 2012 drilling campaign. The resource estimate was released in February 2013 and expressed the opinion that the majority of Crown Mountain coal is expected to be hard coking coal similar to that shipped from neighbouring mines. • Norwest also identified the need to perform additional exploration, including bulk sampling, before definitive clean coal quality (and plant yield) can be determined. Results from the coal quality test work from the 2013 drilling campaign are largely complete.

Criteria	JORC Code explanation	Commentary
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Crown Mountain seams appear to have more non-separable partings than nearby mines; plant yield may be below the prevailing yields of 60 to 70 % in the Elk Valley. • Some groundwater has been encountered in drill holes. Five ground water monitoring stations (piezometers) have been installed in selected drill holes. In addition a well has been installed in one of the drill holes in the North Block to monitor water volumes. • As a requirement of the Environmental Assessment, significant rock core and cuttings have been collected from the 2013 drilling campaign to assess potential metal leaching and acid rock drainage issues.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Jameson has commenced a pre-feasibility study following revision of the geological model. • Further drilling will be required to upgrade the resource status in the Southern Extension from Inferred to Indicated.

Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section. This section is subject to change following update of existing geological model and resource estimation on receipt of all outstanding analytical results.)

Criteria	JORC Code explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	• Data is recorded manually onto log sheets in the field. Information is entered into the Norwest database. Data correction and validation checks are undertaken both internally and by external consultants before the data is used for modelling purposes.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• Jameson has undertaken several site visits during the year including being present for the duration of the 2012 and 2013 drilling programs. • Several reviews were conducted of the field procedures and sampling practices, and they were deemed to be of an acceptable industry standard at the time of the visit. • The Vice President of independent consultants Norwest Corporation undertook several site visits in 2012 and 2013
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	• Geological interpretation of stratigraphy and seam continuity is at a stage where confidence is high. • An improved interpretation of the overall strata has been undertaken based on the 3D geological model which has been updated with 2013 exploration data.

Criteria	JORC Code explanation	Commentary
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	• The Crown Mountain property is divided into two distinct structural domains separated by a northerly trending thrust fault or CMF. There are three prospects within the project area, the "North Block" which is positioned above the CMF and the "South Block" and "Southern Extension" which are both below the CMF. • Strike lengths for each of the three prospects are; North Block – 1.5km, South Block - 4.4km and Southern Extension – 4.1km. • The major seams in the North Block are structurally bound within a south plunging syncline, extending from surface to a maximum depth of 155m. Coal seams in the South Block and Southern Extension extend from surface to a maximum depth of 150m and are structurally bound within a dip slope monoclinal setting.
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	• The resource model for the Crown Mountain project was developed using Mintec's geological modelling and mine planning software, Minesight®. This system is widely used throughout the mining industry for digital resource model development. • The selected block size was based on the density of the drill hole dataset as well as the requirements for the mining selectivity of this deposit, in this case being 25m x 25m x 5m. • The Geological Type is classified as "Moderate" in the South Block and Southern Extension and "Complex" in the North Block. • Thickness models were prepared for the seven major seams 8 upper, 8 middle, 8 lower, 9, 10 upper, 10 middle and 10 lower plus the Rider Seams where appropriate. • The depth limit for the potential surface mineable resource was based on a vertical cut-off ratio limit of approximately 20:1 m3/tonne, at the discretion of the Qualified Person. • Seam specific coal densities were used for the conversion of in-place volumes to in-place tonnes, with the average being 1.56 g/cc. • The resource areas include a provision at the coal outcrop to allow for oxidation and weathering of the coal near the surface. The oxidation limit ranges from 10 m to 30 m. • Coal thicknesses were determined from drill hole intersections on the property, as well as from geophysical logs.

Criteria	JORC Code explanation	Commentary
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• The tonnages are reported on an As Received Basis with natural moisture included. The moisture content is determined from the results of Proximate Analysis laboratory testing.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• The resource estimate was made using a minimum thickness of 0.5 m. The estimate was used to define potential surface mineable coal in the individual seams and the results were planned for use in examining different mining options.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	• The targeted coal seams at Crown Mountain are suitable for open-cut operations using the truck/shovel mining method. It is expected that the mining conditions at Crown Mountain will be very similar to those at the nearby mines which also use the truck/shovel method.
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	• In January 2013, the coal quality aspects of Crown Mountain were reviewed by independent consultants Kobie Koornhof Associates Inc. using public data from historic exploration, regional quality studies and data from the adjacent coal mines. They concluded that in the absence of detailed quality data which would allow a definitive classification of these coals, and based on the information available, the coking coals from Crown Mountain are considered to be similar in quality or very close to, the premium Canadian coking coals. • Norwest Corporation made recommendations in February 2013 to undertake a LDC drilling program to obtain bulk sample for washability test work to determine plant yield as well as develop a definitive understanding of the coking properties of clean coal product. • Results from the LDC test work have been completed by various laboratories (CANMET, Birtley, SGS, CoalTech, and Pearson) and have been incorporated into the PFS.

Criteria	JORC Code explanation	Commentary
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	• The Preliminary Economic Assessment ("PEA") study shows open-pit mining will commence from the North and advance southwards to the Southern Extension over a 24 year mine life. Waste will be placed as either back-fill as mining is completed or delivered to a West Dump adjacent to the South and North pits. The PFS mine life was reduced to 16 years primarily due to eliminating the "inferred" resource category from consideration, thus removing the southern extension resource area. • The PEA and PFS show the wash plant facility will be located on the west side of the North Pit. It is proposed to deliver plant refuse to the West Dump. • The greatest potential impacts of surface mining are likely to be those that affect surface water. In mines developed some years ago in similar physical locations with such topographical constraints, it was the accepted practice in waste dump areas to construct rock drains in the core of the dump as a means to conveying run-off. This method is no longer acceptable for water management since precipitation and runoff waters still interact with mined materials and can thus dissolve substances that occur in those rocks. These affects can cause the surface waters to acquire elevated levels of chemicals beyond those of the original water state. Thus the mine design will require that a water impoundment system be employed that minimizes this interaction while ensuring that all mine-affect waters can be treated prior to release. • Environmental baseline studies are well advanced with the BC MOE required two year monthly water sampling and quality test work scheduled for completion in April 2014. • Hydrological studies including the installation of several down-hole ground water monitoring stations were completed in conjunction with the LDC drilling program in September 2013. • Interburden rock samples for the purpose of geochemical analysis to evaluate the potential for metal leaching and acid rock drainage have been retained.

Criteria	JORC Code explanation	Commentary
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	• Seam specific coal densities were used for the conversion of in-place volumes to in-place tonnes, with the average being 1.56 g/cc.
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	• The Resource Estimate has been prepared in accordance with the requirements of the Canadian National Instrument (NI) 43-101 and the CIM Definition Standards. NI 43-101 is the Canadian equivalent of the JORC Standard. • The mineral resources are classified as to the assurance of their existence into one of three categories JORC equivalent categories Measured, Indicated and Inferred. The category to which a resource is assigned depends on the level of confidence in the geological information available (CIM Definition Standards –GSC Paper 88-21).
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• An internal Company review of the Resource and the associated Technical Reports was undertaken prior to public release of this information.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• The Categories were considered acceptable by the Qualified Person during the classification of the resources. • The accuracy of resource estimates is, in part, a function of the quality and quantity of available data and of engineering and geological interpretation and judgment by the Qualified Person. • Based on the historical, 2012 and 2013 drill hole data, the resource estimate is considered reasonable. • Additional data and analysis available subsequent to the 2013 Resource Estimate estimates has necessitated revisions. These revisions have been included in the Technical Report. • There is no guarantee that all or any part of the estimated resources will be recoverable

Section 4 Estimation and Reporting of Ore Reserves

Criteria listed in section 1, and where relevant in sections 2 and 3, also apply to this section.

Criteria	JORC Code explanation	Commentary
Mineral Resource estimate for conversion to Ore Reserves	• *Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserves.* • *Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.*	• The Coal Resource Estimate was first published by Norwest Corporation on January 21, 2013 and re-estimated on March 11, 2014. • The Coal Reserves are a subset of the previously released Coal Resources.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• Jameson has undertaken several site visits during the year including being present for the duration of the 2012 and 2013 drilling programs. • Several reviews were conducted of the field procedures and sampling practices, and they were deemed to be of an acceptable industry standard at the time of the visit. • The Vice President of independent consultants Norwest Corporation undertook several site visits in 2012 and 2013
Study Status	• *The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.* • *The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.*	• The Coal Reserves were determined by execution of a Prefeasibility Study.
Cut-off parameters	• *The basis of the cut-off grade or quality parameters applied.*	• As with the resource estimate, the cut-off thickness for determining coal reserves was 0.5 meters.

Criteria	JORC Code explanation	Commentary
Mining factors or assumptions	• *The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (ie: either by application of appropriate factors by optimisation or by preliminary or detailed design.* • *The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.* • *The assumptions made regarding geotechnical parameters (ie: pit slopes, stope sizes, etc), grade control and pre-production drilling.* • *The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).* • *The mining dilution factors used.* • *The mining recovery factors used.* • *Any minimum mining widths used.* • *The manner in which Inferred Mineral Resources and utilised in mining studies and the sensitivity of the outcome to their inclusion.* • *The infrastructure requirements of the selected mining methods.*	• The method of mining used on the Prefeasibility study is open cut mining, using a fleet of excavators, loaders, dozers, and trucks consistent with similar operations in the general vicinity of western Canada. • Pit slopes and berm width/spacing were determined after review of available geotechnical information. Additional geotechnical data must be collected to refine this information. • Optimisation was based on a break even stripping ratio analysis using a coal sales price of $155 USD per tonne. • Mining dilution is assumed to be 0.1m of out-of-seam dilution per coal/rock contact with an associated 0.15m pit loss of coal. • Mining recovery is the result of applying the dilution factors above, and varies by seam thickness. • The minimum mineable seam thickness is 0.5m. • Inferred Mineral Resources are excluded from consideration. • Infrastructure required includes electrical power, natural gas, roadway, rail loop, and water supply. These items have been included in the capital cost estimate.
Metallurgical factors or assumptions	• *The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.* • *Whether the metallurgical process is well-tested or novel in nature.* • *The nature, amount, and representativeness of metallurgical test work undertaken, the nature of metallurgical domaining applied and the corresponding metallurgical recovery factors applied.* • *Any assumptions or allowances made for deleterious elements.* • *The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.* • *For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?*	• Coal processing will be by heavy media washing and froth floatation. • Only well-tested coal washing processes have been incorporated into the plan. • A significant amount of coal washability testing was performed in 2013/2014 on bulk samples collected in Q3 2013 via large diameter coring. It is believed this work is representative of the project area. Recovery (plant yield) varies from area to area across the project, but averages 52 percent. • Deleterious material (out of seam reject) was assumed to comprise 0.10 meters per coal/rock contact. In addition, 0.15 meters of coal is assumed lost per contact. This is a normal occurrence during the mining process. • A rotary breaker (or other pre-plant de-rocking device) is assumed to remove approximately 8 percent of the rock in the ROM material. • The 2013 bulk samples are considered to be representative of the coal deposits in the North and South Blocks, which form the study area for the PFS. • The coal reserve estimation has been based on producing a product that

		meets specifications for a high quality hard coking coal shipped from western Canada.
Environmental	• *The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.*	• Significant work on environmental issues has been performed and/or remains in progress. The Company is collecting baseline information in anticipation of submitting an EA (Environmental Assessment) Project Description in Q3/Q4 2014. • Waste rock characterisation was completed by SRK laboratories on selected rock core collected during the 2013 drilling campaign. That study concluded the waste at Crown Mountain is similar to waste rock found at other local mines. Additional evaluation work is required in this area. • No approvals have been sought for waste disposal methods to-date: this will be part of the EA and Mine Permit application processes.

Criteria	JORC Code explanation	Commentary
Infrastructure	• *The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.*	• Power and natural gas infrastructure is located within 14 km from the project area, and will be extended to site. • Rail is within 14 km of the site: the PFS provides for construction of a rail loop alongside of the existing mainline rail. • Water supply is approximately 3 km from site. A storage pond will be constructed and water will be pumped along an overland conveyor route to the plant and mine site. • Land is available within the tenured area to construct a wash plant and associated facilities. The loadout system will be constructed on land controlled by others: Jameson has meet with that party and received no objection to-date…however a land-use agreement must still be negotiated and executed.
Costs	• *The derivation or, or assumptions made, regarding projected capital costs in the study.* • *The methodology used to estimate operating costs.* • *Allowances made for the content of deleterious elements.* • *The source of exchange rates used in the study.* • *Derivation of transportation charges.* • *The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specifications, etc.* • *The allowances made for royalties payable, both Government and private.*	• Capital costs for the project were based on actual quotations from vendors and existing comparable data maintained and updated by Norwest Corporation. • Operating costs were estimated by applying updated comparable unit costs from other operations to calculated volumes for the project (ie: cost per cubic meter of overburden for blasting, ripping, hauling, etc). • Deleterious elements removed in mining are costed the same as ROM material. Some of that material is rejected at the de-rocking station, while the remaining material is processed through the plant: in either case, the appropriate costs are applied. • An exchange rate of 0.92 CAD per USD has been used. This rate was obtained from a variety of published, publicly available sources. • Transportation charges were estimated through contact with the applicable rail and port facilities, as well as comparing to publicly available information from competing mines in the same area. • Processing costs are estimated based on Norwest Corporation's experience with similar operations. There are no external processing facilities. • No allowance has been made for penalties associated with failure to meet product specifications. • All applicable Canadian taxes and royalties have been accounted for. There are no private royalties payable.

Revenue Factors	• *The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity prices, exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.* • *The derivation of assumptions made of metal or commodity prices, for the principal metals, minerals, and co-products.*	• Coal revenue estimates are based on sales prices provided by Norwest subcontractor Kobie Koornhof Associates, a recognized expert in price forecasting for coal.
Market assessment	• *The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.* • *A customer and competitor analysis along with the identification of likely market windows for the product.* • *Price and volume forecasts and the basis for these forecasts.* • *For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.*	• The market assessment was performed by Norwest Corporation with input from Kobie Koornhof Associates and publicly available data from numerous sources. • The likely market for project output is the worldwide export market for two products: hard coking coal, and PCI coal. • The price and volume forecasts were prepared by Norwest Corporation from internal and external sources. • Testing and acceptance criteria vary by customer. As the project is located in an area that has historically produced high quality hard coking coal for the export market, there is an established knowledge base for the predicted product. However, additional testing will be required as customer agreements are being negotiated. This would not occur until during or after a Feasibility-level study.
Economic	• *The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.* • *NPV ranges and sensitivity to variations in the significant assumptions and inputs.*	• The inputs to the economic analysis are the operating costs, capital cost estimates, transportation costs, and sales revenue. These inputs are sources from the PFS. • There is no provision in the PFS for inflation or escalation: all economic data was prepared in 2014 dollars. • A range of discount rates was used for the NPV evaluation. Sensitivities were evaluated to sales price, operating cost, capital, and various project financing methods (ie: leasing versus purchase).
Social	• *The status of agreements with key stakeholders and matters leading to social licence to operate.*	• Jameson has developed a relationship with affected First Nations. No agreements currently exist. • Other key stakeholders include local communities, recreation groups, and special-interest organizations. Discussions have not yet taken place.
Other	• *To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:* • *Any identified material naturally occurring risks.*	• Naturally occurring risks include environmental factors such as potential metal leaching issues, ground water, and wildlife concerns. These issues will be addressed during execution of the EA process. • There are no material legal or marketing agreements.

	• *The status of material legal agreements and marketing arrangements.* • *The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.*	• It is anticipated all required approvals can be obtained to construct and operate a mine within the timeframe specified in the PFS. There are five other operating coal mines in the area, and Crown Mountain does not possess any unique challenges to the area. • Several governmental permits are required before mine construction can begin. These have not yet been applied for; however, preparation is in progress. The most significant permitting activity is the Environmental Assessment process, which is estimated to take approximately two years to successfully complete. During that timeframe several other specialized permitting activities will occur. While the Company does not foresee material issues that would preclude the required permits from being issued, there is no guarantee the government will issue the permits.
Classification	• *The basis for the classification of the Ore Reserves into varying confidence categories.* • *Whether the result appropriately reflects the Competent Person's view of the deposit.* • *The proportion of probable Ore Reserves that have been derived from the Measured Mineral Resources (if any).*	• The basis for reserve classification are the NI43-101 and JORC 2012 reporting requirements. • The Competent Person is in full agreement with the results and has so indicated by written consent.
Audits or reviews	• *The results of any audits or reviews of Ore Reserve estimates.*	• The coal reserve estimates prepared by Norwest Corporation were subjected to internal peer review. Norwest is a non-related third party, and the Company has not undertaken any formal audit of the Norwest work.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a*	• The Categories were considered acceptable by the Qualified Person during the classification of the resources. • The accuracy of resource estimates is, in part, a function of the quality and quantity of available data and of engineering and geological interpretation and judgment by the Qualified Person. • Based on the historical, 2012 and 2013 drill hole data, the resource estimate is considered reasonable. • Additional data and analysis available subsequent to the 2013 Resource Estimate estimates has necessitated revisions. These revisions will be included in the Technical Report in preparation. • There is no guarantee that all or any part of the estimated resources will be recoverable

	material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage. • *It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	

Section 5 Estimation of Diamonds and Gems

This section is not addressed as no diamonds or other gemstones are reported for this EPC.

Hole Name	Easting (m)	Northing (m)	Elev (m)	Dip	Azm	Lease	Prospect	Hole Type	Coal Zone Combined Net Thickness (m)	Geological Model	Core Diameter	Geophysical Tools Run	Total Depth (m)	Year Drilled
CM12-01-CH	662429	5522037	2143	Vertical	-	418150	North	LDC	32.89	YES	150mm	CDRGNVT	152	2013
CM11-12-CH	662856	5521641	2171	Vertical	-	418150	North	LDC	15.42	YES	150mm	CDRGNVT	73	2013
CM13-15	663221	5521546	2132	Vertical	-	418151	East	RC	8.8	YES	n/a	CDRGNVT	139	2013
CM13-15-CH	663225	5521545	2132	Vertical	-	418151	East	LDC	10.22	YES	150mm	CDRGNVT	124	2013
CM11-11-CH	662704	5521503	2088	Vertical	-	418151	North	LDC	13.67	YES	150mm	CDRGNVT	126	2013
CM13-06	662823	5521114	1998	Vertical	-	418151	North	RC	4.95	YES	n/a	CDRGNVT	54	2013
CM13-17	663621	5520986	2138	Vertical	-	418151	South	RC	8.35	YES	n/a	CDRGNVT	194	2013
CM11-22-CH	663756	5519710	2121	Vertical	-	418151	South	LDC	15.74	YES	150mm	CDRGNVT	126	2013
CM13-25	663769	5517927	1938	Vertical	-	418151	South	RC	12	YES	n/a	CDRGNVT	115	2013
CM13-25-CH	663769	5517924	1938	Vertical	-	418151	South	LDC	10.89	YES	150mm	CDRGNVT	102	2013
CM11-19-CH	663409	5518162	1886	Vertical	-	418151	South	LDC	18.55	YES	150mm	CDRGNVT	150	2013
CM13-20	663264	5518426	1877	Vertical	-	418151	South	RC	11.85	YES	n/a	CDRGNVT	158	2013
CM13-19	663402	5518852	1929	Vertical	-	418151	South	RC	4.5	YES	n/a	CDRGNVT	136	2013
CM11-02	662609	5522132	2209	50	60	418150	North	RC	27.1	YES	n/a	CDRGNV	174	2012
CM11-04	662613	5521986	2200	Vertical	-	418150	North	RC	19.45	YES	n/a	CDRGNV	184	2012
CM11-12	662856	5521636	2171	Vertical	-	418150	North	RC	14.8	YES	n/a	CDRGNV	116	2012
CM11-03B	662476	5521913	2141	50	265	418150	North	RC	23.6	YES	n/a	DGN	125	2012
CM11-03A	662483	5521909	2142	Vertical	-	418150	North	RC	31.9	YES	n/a	CDRGNV	186	2012
CM11-07	662689	5521856	2184	Vertical	-	418150	North	RC	18.8	YES	n/a	CDRGNV	163	2012
CM11-02B	662621	5522137	2209	Vertical	-	418150	North	RC	22.8	YES	n/a	CDRGNV	144	2012
CM11-11	662692	5521515	2087	Vertical	-	418151	North	RC	14.25	YES	n/a	CDRGNV	142	2012
CM11-08	662398	5521673	2059	Vertical	-	418150	North	RC	2.85	YES	n/a	CDRGNV	82	2012
CM11-22	663757	5519707	2121	Vertical	-	418151	South	RC	14.8	YES	n/a	CDRGV	166	2012
CM11-14	663520	5519291	2000	Vertical	-	418151	South	RC	17.1	YES	n/a	DGN	136	2012
CM11-18	663690	5518475	1957	Vertical	-	418151	South	RC	13.25	YES	n/a	DGNV	109	2012
CM11-16C	663481	5519045	1957	Vertical	-	418151	South	RC	13.8	YES	n/a	DGN	111	2012
CM11-20	663492	5517898	1862	Vertical	-	418151	South	RC	12.1	YES	n/a	CDRGNV	131	2012
CM11-19	663407	5518158	1885	Vertical	-	418151	South	RC	14.5	YES	n/a	CDRGNV	172	2012
CM11-17	663511	5518711	1955	Vertical	-	418151	South	RC	19.35	YES	n/a	DGN	169	2012
CM12-21	663069	5519560	1861	Vertical	-	418151	South	RC	0	YES	n/a	DGN	160	2012
CM11-21	663796	5518821	1988	Vertical	-	418151	South	RC	6.65	YES	n/a	DGN	62	2012
CM11-15	663763	5519115	2021	Vertical	-	418151	South	RC	11.8	YES	n/a	CDRGNV	141	2012
CM11-22B	663755	5519712	2121	50	75	418151	South	RC	13.35	YES	n/a	CDRGNV	160	2012
CM12-18	663809	5520572	2216	Vertical	-	418151	South	RC	9.7	YES	n/a	CDRGNV	231	2012
CM12-01A	662422	5522046	2143	Vertical	-	418150	North	RC	30.9	YES	n/a	CDRGNV	178	2012
CM12-01B	662420	5522045	2143	50	265	418150	North	RC	29.2	YES	n/a	CDRGNV	148	2012
CM12-09	662352	5522095	2134	Vertical	-	418150	North	RC	13.05	YES	n/a	CDRGNV	163	2012
CM12-10	662417	5522084	2143	Vertical	-	418150	North	RC	29.25	YES	n/a	CDRGNV	172	2012
CM12-17	663512	5521328	2132	Vertical	-	418151	South	RC	10.45	YES	n/a	CDRGNV	148	2012
CM12-19	663793	5520179	2160	Vertical	-	418151	South	RC	9.85	YES	n/a	CDRGNV	182.5	2012
CM12-28	663752	5518099	1948	Vertical	-	418151	South	RC	12.45	YES	n/a	CDRGNV	142	2012
CM12-29	663415	5518997	1935	Vertical	-	418151	South	RC	3	YES	n/a	n/a	64	2012
CM12-25	663232	5519111	1918	Vertical	-	418151	South	RC	2.8	YES	n/a	CDGN	133	2012
CM12-24	663015	5519114	1864	Vertical	-	418151	South	RC	0	YES	n/a	CDRGNV	157	2012
CM12-31	662558	5521434	2038	Vertical	-	418153	North	RC	16.95	YES	n/a	DGN	100	2012
CM12-16	662709	5521346	2010	Vertical	-	418151	North	RC	14.1	YES	n/a	DGN	82	2012
CM12-06	662509	5521760	2122	50	256	418150	North	RC	22.15	YES	n/a	CDRGNV	175.5	2012
CM12-04	662597	5521633	2112	Vertical	-	418150	North	RC	24.25	YES	n/a	DGN	181	2012
CM12-34A	663763	5514055	1619	Vertical	-	418154	Southern Exte	RC	17.5	YES	n/a	CDRGV	118	2012
CM12-34B	663761	5514055	1619	60	60	418154	Southern Exte	RC	17	YES	n/a	DGN	109	2012
CM12-33B	663478	5516252	1740	65	60	418151	Southern Exte	RC	4.6	YES	n/a	CDRGNV	123	2012
CM12-36B	663440	5515916	1745	70	60	418154	Southern Exte	RC	0	YES	n/a	CDRGV	75	2012
CM12-38B	663442	5516101	1750	50	60	418151	Southern Exte	RC	4.55	YES	n/a	DGNV	192	2012
CMD79-101B	662584	5521800	2152	Vertical	-	418150	North	Core	14.62	YES	Hole dia. 4 3/4"	DGN	45.2	1979
CMD79-105B	663399	5519491	1988	Vertical	-	418151	South	Core	4.5	YES	Hole dia. 5 1/2"	DGN	66.3	1979
CMR69-25	662503	5521893	2148	Vertical	-	418150	North	Rotary	25.9	YES	n/a	n/a	152.7	1969
CMR69-26	662749	5521693	2167	Vertical	-	418150	North	Rotary	22.12	YES	n/a	GN	147.2	1969
CMR69-27	663717	5519425	2057	Vertical	-	418151	South	Rotary	9.9	YES	n/a	GN	141.4	1969
CMR69-28	663785	5518954	2012	Vertical	-	418151	South	Rotary	13.71	YES	n/a	GN	126.8	1969
CMR69-29	663623	5518903	1953	Vertical	-	418151	South	Rotary	18.32	YES	n/a	GN	121.6	1969
CMR69-30	663507	5519369	2004	Vertical	-	418151	South	Rotary	8.3	YES	n/a	n/a	134.1	1969
CMR69-31	663278	5519309	1961	Vertical	-	418151	South	Rotary	11.75	YES	n/a	GN	189.6	1969
CMR69-32	663404	5519513	1987	Vertical	-	418151	South	Rotary	13.48	YES	n/a	GN	140.2	1969
CMR69-33	662585	5522043	2204	Vertical	-	418150	North	Rotary	20.34	YES	n/a	GN	189.6	1969
CMR69-34	663438	5518625	1932	Vertical	-	418151	South	Rotary	11.2	YES	n/a	GN	164	1969
CMR69-35	663452	5518290	1901	Vertical	-	418151	South	Rotary	12.19	YES	n/a	GN	161.2	1969
CMR79-101	662587	5521796	2152	Vertical	-	418150	North	Rotary	23.22	YES	n/a	CDRG	201.2	1979
CMR79-102	663809	5520563	2216	Vertical	-	418151	South	Rotary	6.2	YES	n/a	CDRGN	265	1979
CMR79-103	663653	5518559	1963	Vertical	-	418151	South	Rotary	9.62	YES	n/a	DGN	138.8	1979
CMR79-104	663232	5519100	1918	Vertical	-	418151	South	Rotary	4.8	NO	n/a	DG	140.5	1979
CMR79-106	662479	5521898	2141	60	250	418150	North	Rotary	15.8	YES	n/a	DGN	54	1979

Note - Geophysical Tools

C	Caliper
D	Density
R	Resistivity
G	Gamma
N	Neutron (through pipe)
V	Deviation
T	Temperature